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FM AMEMBASSY BERN  
TO SECSTATE WASHDC IMMEDIATE 4935  
INFO AMEMBASSY BEIJING PRIORITY

S E C R E T BERN 000127

SIPDIS

DEPT FOR ISN/MTR (A.JONES), EUR/AGS (Y.SAINT-ANDRE),  
NEA/IR, EAP/CM, AND EUR/PRA

E.O. 12958: DECL: 03/07/2033  
TAGS: [PARM](#) [MTCRE](#) [ETTC](#) [IR](#) [CH](#) [SZ](#)

SUBJECT: ACUTRONIC: GOS RESPONSE TO INFORMATION REGARDING  
POSSIBLE SWISS-ORIGIN MISSILE-RELATED EQUIPMENT TO BE SOLD  
BY CHINESE FIRM TO IRAN (S)

REF: A. BERN 73  
[1](#)B. STATE 5934  
[1](#)C. BEIJING 282

Classified By: Poloff Chris Buck; reasons 1.4(b), (c), and (d).

[1](#)1. (S) On March 5, Othmar Wyss, Director of the Export  
Controls and Sanctions Division of the Swiss State  
Secretariat for Economic Affairs (SECO), provided poloff the

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GOS response, in the form of a non-paper, to our query  
regarding Swiss firm Acutronic (reftels). According to the  
non-paper (copy provided in para 2 below), Swiss officials  
assess that the equipment in question "was counterfeit  
Chinese machinery and that there was no involvement of Swiss  
companies in the transaction."

[1](#)2. (S) BEGIN TEXT OF GOS NON-PAPER:

On 22 January 2008, Switzerland received a US Non-Paper  
indicating that the Swiss company ACUTRONIC may have sold  
missile-related test equipment to the Chinese company CPEI,  
and that this equipment was subsequently transferred to Iran.

Our inquiries into the case yielded the following  
information, which we would like to share with US authorities:

The Swiss authorities have not issued any export licenses to  
ACUTRONIC for equipment destined to the Chinese company  
CHINESE PRECISION ENGINEERING INSTITUTE FOR AIRCRAFT INDUSTRY  
(CPEI). ACUTRONIC, which is in constant close contact with  
the export control authorities, also claims that it did not  
undertake such an export without the required license. After  
undertaking the relevant inquiries, SECO assesses this claim  
to be correct.

ACUTRONIC considers CPEI to be one of its main competitors in  
China and maintains that in line with company policy no  
products are sold to competitors to avoid compromising  
intellectual property.

Intelligence information, which is available to Swiss  
authorities, indicates that CPEI may be counterfeiting  
ACUTRONIC rate tables and motion simulators. Pictures  
featured on the website of CPEI show three-axis systems, as  
well as equipment which is made to look like products  
manufactured by ACUTRONIC  
(<http://www.cpeiztb.com/product.htm>). Moreover, information  
on the website indicates that CPEI may falsely claim to work  
in cooperation with the US-based companies ELMO MOTION  
CONTROL and PARKER AUTOMATION.

In conclusion, Switzerland assesses that the equipment sold  
to Iran by CPEI was counterfeit Chinese machinery and that  
there was no involvement of Swiss companies in the  
transaction.

END TEXT OF GOS NON-PAPER.

13. (SBU) In the spirit of our ongoing efforts to continue to strengthen bilateral export control cooperation with Switzerland, post would welcome the opportunity to provide USG feedback to relevant Swiss government officials regarding the USG's assessment of this information.  
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